



Rainbow Children's Medicare Ltd.'s Q2 & H1 FY23 Financial Results

(In INR Mn)	Q2 FY23	Q1 FY23	Q2 FY22	QoQ Growth	YoY Growth	H1 FY23	H1 FY22	YoY Growth
Revenue	3,130.52	2,371.52	2,661.98	32%	18%	5,502.04	5,125.55	7%
EBITDA	1,095.23	820.91	892.10	33%	23%	1,916.14	1,674.74	14%
EBITDA %	34.99%	34.62%	33.51%	+37 Bps	+147 Bps	34.83%	32.67%	+215 Bps
PAT	615.09	387.61	453.38	59%	36%	1,002.70	812.18	23%

Hyderabad, November 03, 2022: Rainbow Children's Medicare Limited (RCML), India's leading pediatric multi-specialty and perinatal care hospital chain, announced its financial results for the second quarter and half year ended September 30th, 2022.

The company delivered robust operational and financial performance during the second quarter and the first half of the current fiscal year. Strong growth was witnessed across all key operating metrics like occupancy, outpatient & inpatient volumes, across hospitals in every geography. Consequently, the company delivered its best ever quarterly Revenue, EBITDA and PAT numbers.

Historically second quarter witnesses higher occupancy, higher patient footfalls and relatively robust financial performance and the case mix is inclined towards the secondary care pediatrics. This shift in case mix results in higher occupancy with commensurate moderation in ARPOB. The ARPOB for the quarter stood at Rs. 46,959

Operational Highlights

YTD Highlights:

	H1 FY23	H1 FY22		H1 FY23	H1 FY22
Number of Beds	1,555	1,500	ARPOB (Rs. Per day)	49,236	56,243 [§]
Operational Beds	1,158 [^]	1,147	Delivery volume	7,032	6,225
Occupancy %	52.76%	43.42%	ALOS (# days)	2.75	2.89
In-patient (IP) volume	40,658	31,484	ROCE in % (non-annualized)	14.79%	14.89%
Out-patient (OP) volume	5,92,090	3,85,649	ROE in % (non-annualized)	12.95%	15.56%

[§] COVID Vaccine in H1 FY21-22 was 860 Mn. Covid vaccine revenue impact on ARPOB in H1 FY21-22 was Rs. 9,437

Matured Hospitals* (>5 Years)	H1 FY23	H1 FY22	New Hospitals [§] (<5 Years)	H1 FY23	H1 FY22
No. of Hospitals	8	8	No. of Hospitals	7	6
Revenue (in Mn)	4,300	3,977	Revenue (in Mn)	1,202	1,148
Capacity Beds	1,052	1,052	Capacity Beds	503	448
Operational Beds	837	834	Operational Beds	321 [^]	313
Occupancy %	56.94%	48.05%	Occupancy %	41.84%	31.07%
ARPOB (Rs. Per day)	49,306	54,234	ARPOB (Rs. Per day)	48,989	64,523
ALOS (# Days)	2.58	2.76	ALOS (# Days)	3.58	3.63

Quarterly Highlights:

	Q2 FY23	Q1 FY23	Q2 FY22		Q2 FY23	Q1 FY23	Q2 FY22
Number of Beds	1,555	1,500	1,500	ARPOB (Rs. Per day)	46,959	52,603	53,922 ⁵
Operational Beds	1,165 [^]	1,150	1,150	Delivery volume	3,840	3,192	3,385
Occupancy %	62.20%	43.08%	46.66%	ALOS (# days)	2.81	2.66	2.80
In-patient (IP) volume	23,689	16,969	17,610	ROCE in % (non-annualized)	8.75%	5.00%	8.01%
Out-patient (OP) volume	3,43,839	2,48,251	2,21,879	ROE in % (non-annualized)	6.64%	5.13%	9.06%

⁵ COVID Vaccine in Q2 FY21-22 was 420 Mn. Covid vaccine revenue impact on ARPOB in Q2 FY21-22 was Rs. 8,601

Matured Hospitals* (>5 Years)	Q2 FY23	Q1 FY23	Q2 FY22	New Hospitals ⁵ (<5 Years)	Q2 FY23	Q1 FY23	Q2 FY22
No. of Hospitals	8	8	8	No. of Hospitals	7	6	6
Revenue (in Mn)	2,460	1,840	2120	Revenue (in Mn)	670	532	542
Capacity Beds	1,052	1,052	1052	Capacity Beds	503	448	448
Operational Beds	837	837	837	Operational Beds	328 [^]	313	313
Occupancy %	67.82%	45.94%	52.15%	Occupancy %	47.86%	35.44%	31.99%
ARPOB (Rs. Per day)	47,110	52,582	52,788	ARPOB (Rs. Per day)	46,412	52,676	58,869
ALOS (# Days)	2.65	2.49	2.68	ALOS (# Days)	3.65	3.48	3.48

* Matured Hospitals include the hospitals which have completed 5 years of operations.

[^] OMR Hospital commenced operations on 1st Sep, 2022 with 45 operational beds. Weighted beds are considered for occupancy calculations

⁵ New Hospitals include the hospitals which are under 5 years of operations: 1. Rainbow Children's Hospital, New Delhi, 2. Rainbow Children's Hospital, Chennai, 3. Rainbow Children's Heart Institute, Hyderabad, 4. Rosewalk by Rainbow Hospitals, New Delhi, 5. Rainbow Children's Hospital, Hebbal, Bangalore 6. Rainbow Children's Hospital, Visakhapatnam, 7. Rainbow Children's Hospital, OMR, Chennai

Key Developments

- A new spoke hospital at OMR, Chennai commenced operations in September, 2022 and has witnessed 1,000+ outpatient visits in the first month of operation
- The spoke hospital at Financial district, Hyderabad is in the final stage of completion and is expected to commence operations in Q4 of the current financial year
- Project work for spoke hospitals at Central Hyderabad and Anna Nagar, Chennai are progressing well and these hospitals are expected to commence operations during the next financial year
- New asset light 100 beds greenfield hospital (regional spoke) at Rajahmundry, Andhra Pradesh received permission from the government. The lessor will commence the project work soon at the site.
- The company signed an agreement with the lessor to construct an additional block with 50 beds at Rainbow Hydernagar, Hyderabad to cater to future growth at this spoke hospital
- The company received NABH accreditation for 2 more hospitals during the quarter, thereby having 10 hospitals accredited by NABH and 1 JCI certified first standalone fertility center in the country

Commenting on the performance for Q2 FY2023 Dr. Ramesh Kancharla, Chairman & Managing Director, Rainbow Children's Medicare Limited (RCML) said,

"I am pleased to share with you that the company has delivered its best-ever quarterly performance, led by higher patient footfalls and improved occupancies across hospitals in every geography. The revenues for Q2 FY23 stood at Rs. 3,130.52 mn, which is a growth of 18% compared to Rs. 2,661.98 mn in Q2 FY22. The operating EBIDTA for Q2 FY23 was Rs. 1,095.23 mn, which is a growth of 23% compared to Rs. 892.10 mn in Q2 FY22 and the PAT for Q2 FY23 was Rs. 615.09 mn, which is a growth of 36% compared to Rs. 453.38 mn in Q2 FY22.

We commenced operations at spoke hospital at OMR, Chennai in the current quarter and have seen good traction at the hospital in the first month of operation.

We are pleased to share that all remaining projects which are under execution are progressing well and will commence operations within the targeted timelines."

To realize its mission of providing quality pediatric healthcare throughout cities, RCML is continually working to improve its service offering. Over the next five years, the Company plans to add 1,000 beds in its target markets of Hyderabad, Bengaluru, Chennai, the National Capital Region, and Tier-2 cities in Andhra Pradesh and Tamil Nadu.

About Rainbow Children's Hospital

Rainbow network comprises of 15 hospitals and 3 clinics in 6 cities, with a total bed capacity of 1,555 beds. Our Pediatric services under "Rainbow Children's Hospital" includes newborn and pediatric intensive care, pediatric multi-specialty services, pediatric quaternary care (including organ transplantation); whereas our women care services under "Birthright by Rainbow" offers perinatal care services which includes normal and complex obstetric care, multi-disciplinary fetal care, perinatal genetic and fertility care along with gynecology services.

Rainbow Children's hospital built on strong fundamentals of multidisciplinary approach with a full-time consultant led clinical service along with 24/7 commitment in a child centric environment. The company follows a hub-and-spoke operating model where the hub hospital provides comprehensive outpatient, inpatient care, with a focus on tertiary and quaternary services while the spokes provide 24/7 emergency care, large outpatient services and comprehensive obstetrics, pediatric inpatient and level 3 NICU services. This model is successfully operational at Hyderabad and is gaining traction in Bengaluru. The endeavor is to replicate this approach in Chennai and across the National Capital Region. Subsequently Rainbow intends to expand into tier-2 cities of Southern India.

Rainbow embraces a unique doctor engagement model, where doctors work exclusively on a full-time, retainer basis. The doctors work in teams and have 24/7 commitment, which is particularly important for children's emergency, neonatal, pediatric intensive care services and to support pediatric retrieval services. The Company also operates the country's largest pediatric DNB training programme in private healthcare, offering post graduate residential DNB and fellowship programme.

Please visit www.rainbowhospitals.in for more information. You may also reach out to:

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